Monitoring of LC operations

363. SHRIMATI PREMA CARIAPPA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that in the absence of Centralized Monitoring Mechanism to keep track of economic offences, fly by night IT Firms are making hay and duping individuals and companies in a fraud totalling Rs. 15,000 crores and Rs. 3 lakhs;

(b) whether it is also a fact that there is a nexus between private and foreign banks and agencies and touts;

(c) whether Goverment are considering to set up a regulatory authority to monitor Letter of Credit (LC) operations, in the absence of which the forgeries of this kind are on the rise; and

(d) whether Anti-national elements are allowing the inflow of circulation of fake Letter of Credits (LCs) in collusion with Indian banks, at grave risk to the national safety and what measures are taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) Information is being collected and will be laid on the Table of the House.

Smuggling of small denomination coins

364. SHRI RAJKUMAR DHOOT: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that small denomination coins of India are being smuggled into Bangladesh for melting and put to varied uses such as making shaving blades;

(b) if so, the details thereof; and

(c) the steps taken to stop such malpractice?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) such instance has come to notice.

(c) All field formations have been sensitized to maintain strict vigil in this regard.

Raising of foreign currency loans

365. SHRI P.R. RAJAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to allow Indian companies to raise foreign currency loans at rates much lower than that of external commercial borrowings; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) As per existing policy, the all-in-cost ceiling for foreign currency loans/External Commercial Borrowings (ECBs) has been fixed as follows: